

MAXIS BERHAD

MAXIS INCREASES PROFIT IN Q1

- *Stable service revenue in spite of price-focused competition*
- *Profit after tax grew 5.4% year-on-year to RM510 million*
- *No. 1 4G LTE network, coverage at 88% of population, the widest in the country*
- *Declared a first interim dividend of five sen per share*

MEDIA RELEASE

For immediate release

Kuala Lumpur, 27 April

Highlights: Year-on-Year (yoy) - Q1 2017 vs Q1 2016

- Stable service revenue at RM2,129 million against RM2,122 million a year ago, supported by strong average revenue per user (ARPU)
- Sustained postpaid and prepaid momentum in a very price-focused market
 - Postpaid revenue at RM989 million against RM997 million a year ago, with a solid base of nearly 1.8 million MaxisONE customers with high monthly ARPU of RM121. Added 826k new MaxisONE subscriptions
 - Prepaid revenue at RM1,005 million against RM1,008 million in Q1 last year with continued good traction on mobile Internet ARPU
- Investments for future efficiencies and one-time adjustments impacted earnings before interest, tax, depreciation and amortisation (EBITDA). Normalised EBITDA was RM1,118 million as compared to RM1,156 million last year. Strong EBITDA margin (on service revenue) at 52.5%
- Normalised profit after tax (PAT) grew 5.4% to RM510 million from RM484 million
- Declared a first interim dividend of five sen per share

Stable financial performance despite price-focused competition

	Q1 2016 RM'm	Q1 2017 RM'm	YoY %
Service revenue	2,122	2,129	0.3
Normalised EBITDA	1,156	1,118	(3.3)
Normalised PAT	484	510	5.4
Capex	159	162	

Intensified efforts in giving unmatched customer experience:

- Solid momentum in 4G LTE adoption across our customer base. We now have 5.2 million LTE devices on our network, up from 3.2 million a year ago
- Average 4G LTE usage is now at 6.5GB per month, significantly higher than an average of 2.6GB per month a year ago
- No. 1 4G LTE network, the widest in the country with 88% population coverage. Maxis continued to lead in delivering the best network:
 - Maxis is the nation's fastest wireless broadband provider based on the latest Malaysia Communications and Multimedia Commission (MCMC) wireless and wired broadband Quality of Service (QoS) assessment results for 2016. Average results obtained from measurements conducted across all regions nationwide concluded that Maxis offered the fastest download speeds compared to all other service providers
 - Identified as the telco that consistently delivers smooth high-definition (HD) video streaming, according to latest YouTube's Video Checkup tool
- Invested RM162 million in Q1, guiding for RM1.2 billion for 2017
- Launched Business FlexiDeals for SME and corporate customers to provide business owners the best of end-to-end business solutions with a unique offering of owning great devices for free.
- Entered into the 4G smartphone market by launching Maxis own branded device called NeXT M1, a powerful 4G phone that offers an unmatched ownership experience and a ready to use plan

Comment by Morten Lundal, Chief Executive Officer, Maxis Berhad:

"It was a good and steady quarter for Maxis with positive underlying momentum. Data volume keeps growing and we are matching the demand with a high performing network experience. This is a very important year for us, where we will be going all out digital to create unmatched customer experiences."

To view Maxis' Q1 2017 financial results video release, please click here: https://youtu.be/320vN43_Cco

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We Are Maxis

We are the leading communications and internet service provider in Malaysia, enabling 12 million individuals, families and businesses to do more in an Always On world. As our customers increasingly immerse themselves in an ever expanding universe of connected applications, we are obsessed with providing an unmatched end-to-end internet experience – bringing together advanced always on connectivity and always great tech care. Beyond connecting people with our services, we are passionate about leveraging new technologies to make a positive impact in the community in which we operate.

For more information, please visit: maxis.com.my

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